



Department of Justice

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NEW ANTITRUST ENFORCEMENT POLICY STATEMENTS
ISSUED FOR HEALTH CARE INDUSTRY

WASHINGTON, D.C. -- The federal government unveiled today new antitrust guidelines for health care providers designed to encourage agreements that promote efficiency in the health care industry and lower health care costs to consumers.

The nine statements made public today detail new antitrust enforcement policies and principles for health care and significantly expand and replace six similar statements issued a year ago.

The new policy was announced at a news conference in the Department of Justice by Anne K. Bingaman, Assistant Attorney General for the Antitrust Division; Janet D. Steiger, Chairman of the Federal Trade Commission; and Senator Howard Metzenbaum, chairman of the Senate Judiciary's Subcommittee on Antitrust, Monopolies and Business Rights.

"These new policies strengthen the Administration's effort to develop new and better methods of delivering health care to consumers," said Bingaman. "At the same time, they protect

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consumers by preserving and promoting competition in health care markets."

The statements provide antitrust guidance to the health care industry on mergers, joint ventures and other activities. Their intent is to alleviate antitrust uncertainty in these areas.

Today's statements, in expanding upon the agencies' 1993 efforts, provide guidance in new areas such as forming hospital joint ventures, providing fee-related information to purchasers, and creating new health care networks that include several categories of providers. They also provide additional guidance on topics the 1993 statements addressed.

Most of the statements describe antitrust safety zones that define circumstances under which the Department and FTC will not challenge mergers, joint ventures and other procompetitive, cost-saving activities.

The nine statements cover:

- Mergers among hospitals.
- Hospital joint ventures involving high-technology or other expensive health care equipment.
- Hospital joint ventures involving specialized clinical or other expensive health care services.
- Providers' collective provision of non-fee-related information to purchasers of health care services.
- Providers' collective provision of fee-related information to purchasers of health care services.

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- Provider participation in exchanges of price and cost information.

- Joint purchasing arrangements among health care providers.

- Physician network joint ventures.

- Analytical principles relating to multiprovider networks.

The Department and the FTC also vowed to continue an expedited procedure to respond, generally within 90 days, to parties seeking additional guidance on proposed health care joint ventures and other activities.

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